SEC. 1101. PAYMENT OF FEDERAL EMPLOYEE HEALTH BENEFIT PREMIUMS FOR MOBILIZED FEDERAL EMPLOYEES.

- (a) AUTHORITY TO CONTINUE BENEFIT COVERAGE-Section 8905a of title 5, United States Code is amended--
 - (1) in subsection (a), by striking `paragraph (1) or (2) of';
 - o (2) in subsection (b)--
 - (A) in paragraph (1)(B), by striking `and' at the end;
 - (B) in paragraph (2)(C), by striking the period at the end and inserting `; and'; and
 - (C) by adding at the end the following new paragraph:
 - o `(3) any employee who--
 - `(A) is enrolled in a health benefits plan under this chapter;
 - `(B) is a member of a reserve component of the armed forces:
 - `(C) is called or ordered to active duty in support of a contingency operation (as defined in section 101(a)(13) of title 10);
 - `(D) is placed on leave without pay or separated from service to perform active duty; and
 - `(E) serves on active duty for a period of more than 30 consecutive days.'; and
 - \circ (4) in subsection (e)(1)--
 - (A) in subparagraph (A), by striking `or' at the end:
 - (B) in subparagraph (B), by striking the period at the end and inserting `; or'; and
 - (C) by adding at the end the following new subparagraph:
 - `(C) in the case of an employee described in subsection (b)(3), the date which is 24 months

after the employee is placed on leave without pay or separated from service to perform active duty.'.

- (b) AUTHORITY FOR AGENCIES TO PAY PREMIUMS-Subparagraph (C) of section 8906(e)(3) of such title is amended by striking `18 months' and inserting `24 months'.
- (c) EFFECTIVE DATE- The amendments made by this section shall apply with respect to Federal employees called or ordered to active duty on or after September 14, 2001.